

VZCZCXYZ0009
RR RUEHWEB

DE RUEHRB #1706/01 2561726
ZNR UUUUU ZZH
R 131726Z SEP 06
FM AMEMBASSY RABAT
TO RUEHC/SECSTATE WASHDC 4665
INFO RUEHAS/AMEMBASSY ALGIERS 4152
RUEHMO/AMEMBASSY MOSCOW 0368
RUEHSA/AMEMBASSY PRETORIA 0209
RUEHTN/AMCONSUL CAPE TOWN 0112
RUEHCL/AMCONSUL CASABLANCA 2130

UNCLAS RABAT 001706

SIPDIS

SIPDIS

DEPT FOR NEA/MAG AND EUR/RUS

E.O. 12958: N/A

TAGS: [PREL](#) [ECON](#) [RU](#) [MO](#)

SUBJECT: PUTIN VISIT ACCENTUATES BILATERAL COOPERATION

REF: A. MOSCOW 9690

[B](#). CAPE TOWN 293

[C](#). PRETORIA 3659

[D](#). RABAT 1643

Sensitive but Unclassified. Not for internet distribution.

[1](#)1. (SBU) Summary: Russian President Putin's 18-hour visit to Morocco September 6-7 emphasized economic and commercial ties between the two countries, with the signature of cooperation agreements in fields ranging from fisheries to tourism, culture, and communications. Putin was accompanied by 50 leading Russian businessmen, who attended an inaugural meeting of a new Russian-Moroccan Business Council in Casablanca. 2005 Trade figures show that the Council has much work to do: while oil and gas exports have vaulted Russia into 5th place among exporters to Morocco, Moroccan exports lag far behind. After the concerns that Russia's large arms sale to Algeria sparked earlier this year, Russian officials were also at pains to emphasize that the reinforcement of bilateral relations would "contribute to stability in the region," and that the two nations have a common approach on issues ranging from the Middle East to the Western Sahara. End Summary.

[1](#)2. (SBU) As predicted, Russian President Putin's short visit to Morocco on September 6-7 focused primarily on economic and commercial issues. In his public remarks, Putin emphasized that the African continent represents an important "vector of expansion" for Russia, which intends to expand cooperation with Morocco in such areas as energy and agriculture. He pointed particularly to atomic energy, electricity, and hydrocarbons as fields where Russia and Morocco could work together. The nuclear issue in particular sparked a range of press speculation, building on a separate press statement by Russian firms that they plan to bid on any tender by the Moroccan government for a nuclear power plant. Separate reports indicated that senior officials of the National Electricity Office (ONE) traveled to Russia at the end of August to meet with Rosatom about Morocco's nuclear energy plans. (Note: Such a visit would not be surprising; ONE officials told us in late August that they were exploring their nuclear power options with the full range of possible international suppliers (ref d). End Note.)

[1](#)3. (U) The formal meeting between President Putin and King Mohammed on September 7 saw the signature of a range of bilateral agreements, including:

-- A Justice convention, to permit nationals convicted of crimes in one state to serve their sentence in their native country.

-- A Fisheries Agreement, permitting 12 Russian vessels to fish in Moroccan waters from October 15, 2006, when the existing agreement expires. By terms of the accord, the Russian vessels are allotted a quota of 12,000 tons of pelagic fish for the agreement's first year, a total that will be reviewed annually. Russian vessels are required to accept Moroccan scientific observers and to employ Moroccan seamen.

-- An Agreement on Tourism, which seeks to expand bilateral cooperation in tourism, through regular exchanges of tourism experts and the organization of cultural and sporting events.

-- An Agreement on Cultural and Scientific Cooperation, to reinforce cooperation in these areas, including through offering scholarships to enable students to study in the other country.

-- An agreement on Communications, which aims at stricter respect for intellectual property rights, while also facilitating media accreditation and cooperation in the realms of cinema, radio, television, and advertising.

-- and finally an agreement on cooperation to ensure agricultural trade does not result in transmission of plant diseases, through ensuring vegetal quarantines and protection of vegetal crops.

14. (SBU) For the business leaders accompanying the Russian President, the central event of the visit was the constitutive assembly of a Russian-Moroccan joint business council. Building on a convention that was signed in Moscow in June, the council will seek to promote business opportunities and exchange of information between businesses.

Recent trade figures highlight the fact that there is much work to do: while Russian exports to Morocco nearly tripled from 2001 to 2005 (from 4.2 to 12.2 billion MD, or nearly 7 percent of Moroccan imports), a doubling of Moroccan exports over the same period (from 600 million DM to 1.2 billion MD, or 1.3 percent of Moroccan exports) left the bilateral trade deficit at nearly 11 billion MD (1.4 billion USD).

15. (SBU) If economics were at the center of the visit, Russian officials were at pains to emphasize the fact that there was a political purpose as well. Both Russian Presidential Advisor Mikhail Kaminine and Ambassador Alexandre Tokovinine stressed the "longstanding friendship" between the two countries and their "close or common" outlook on issues ranging from the Middle East Peace Process to the Western Sahara. The Moroccan press argued the unspoken subtext of the visit was Russia's desire to assuage Moroccan concerns about its large (7.5 billion USD) arms sale to Algeria earlier this year.

16. (SBU) Comment: Putin's visit appears to have checked a box for Russia by signalling its desire to expand bilateral ties, notwithstanding its historically close relationship to Algeria. The energy issue, and in particular that of nuclear power, will likely garner the most extensive interest from Moscow, and it is one we will monitor closely, given the potential interest in the project by American companies as well. End Comment.

Visit Embassy Rabat's Classified Website;
<http://www.state.sgov.gov/p/nea/rabat>

RILEY